

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7827

BILL NUMBER: SB 510

NOTE PREPARED: Jan 17, 2003

BILL AMENDED:

SUBJECT: ISTEP testing.

FIRST AUTHOR: Sen. Waterman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: The bill replaces the ISTEP test program with an assessment program using the Iowa Tests of Basic Skills or the Iowa Tests of Educational Development, as is appropriate for the grade level being tested.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Summary:* Under the bill, switching to the Iowa Tests of Basic Skills for grades 3, 6, and 8 and the Iowa Tests of Educational Development for grade 10 would require expenditures of approximately \$4.1 M - \$4.6 M for one administration of these examinations, depending on the testing options chosen. The above estimate includes only administration costs for pre-test, test, scoring, and post-test materials for one administration of the Iowa tests. The estimate also assumes that one school would require one training manual, scoring mask, etc. to administer the Iowa test. Given that the Iowa series examinations have already been developed, neither development costs nor results/research analysis costs were included in the estimate.

Funds currently earmarked for the ISTEP examination development and administration could be used as a funding source for the Iowa tests. For FY 2003, approximately \$20 M was appropriated from the state General Fund and dedicated funds for ISTEP+ test development and administration (grades 3, 6, 8, and 10).

Estimated expenses for administering the Iowa test noted above could be higher due to the current law which requires that the general language arts essay questions must be made available to the public at least four months before the administration of the test. The current DOE contract with the ISTEP vendor allows for the disclosure of questions. Allowing disclosure of test questions may or may not be possible with the vendor

of the Iowa test without a specific contract or additional cost above the standard administrative costs noted above.

This Fiscal Impact Statement will be updated when additional information is available.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education, Indiana State Board of Education.

Local Agencies Affected: School corporations.

Information Sources: Houghton Mifflin Riverside Publishing; DOE SAS and ORACLE DATABASES; State of Indiana, *List of Appropriations (July 1, 2001, to June 30, 2003)*; Wes Bruce, Department of Education.

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